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By: **Senator Hooper (By Request)**  
Introduced and read first time: March 8, 2004  
Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Registration - Required Security - Evidence**

3 FOR the purpose of requiring applications for motor vehicle registration to include  
4 the name of the insurance company, the name of the authorized agent, if any, the  
5 policy number, and the binder number as evidence that the required security for  
6 the motor vehicle is in effect; and generally relating to evidence of required  
7 security for motor vehicle registration.

8 BY repealing and reenacting, with amendments,  
9 Article - Transportation  
10 Section 17-104  
11 Annotated Code of Maryland  
12 (2002 Replacement Volume and 2003 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article - Transportation**

16 17-104.

17 (a) (1) The Administration may not issue or transfer the registration of a  
18 motor vehicle unless the owner or prospective owner of the vehicle furnishes evidence  
19 satisfactory to the Administration that the required security is in effect.

20 (2) THE ADMINISTRATION SHALL REQUIRE AN APPLICATION FOR  
21 REGISTRATION TO INCLUDE THE NAME OF THE INSURANCE COMPANY, THE NAME OF  
22 THE AUTHORIZED AGENT, IF ANY, THE POLICY NUMBER, THE BINDER NUMBER, AND  
23 ANY OTHER INFORMATION THAT MAY BE DEEMED NECESSARY BY THE  
24 ADMINISTRATION AS EVIDENCE THAT THE REQUIRED SECURITY IS IN EFFECT.

25 (b) The owner of a motor vehicle that is required to be registered in this State  
26 shall maintain the required security for the vehicle during the registration period.

27 (c) The Administration, in consultation with the Maryland Insurance  
28 Administration and representatives of the automobile insurance industry, shall adopt

1 regulations that establish procedures to be used by an insurer to provide timely  
2 notification to an insured of the penalties that may be imposed in accordance with §  
3 17-106 of this subtitle if the insured fails to renew or replace a policy of motor vehicle  
4 liability insurance without surrendering the evidences of registration.

5 (d) (1) In this subsection, "replacement vehicle" means a vehicle that is  
6 loaned by an auto repair facility or a dealer, or that an individual rents temporarily, to  
7 use while a vehicle owned by the individual is not in use because of loss, as "loss" is  
8 defined in that individual's applicable private passenger automobile insurance policy  
9 or because of breakdown, repair, service, or damage.

10 (2) Subject to paragraph (3) of this subsection, an owner of a replacement  
11 vehicle may satisfy the requirement of subsection (a) of this section by maintaining  
12 the required security described in § 17-103 of this subtitle that is secondary to any  
13 other valid and collectible coverage and that extends coverage in amounts required  
14 under § 17-103(b) of this subtitle to the owner's vehicle while it is used as a  
15 replacement vehicle.

16 (3) If an owner of a replacement vehicle provides coverage as provided  
17 under paragraph (2) of this subsection, the agreement for the replacement vehicle to  
18 be signed by the renter or the individual to whom the vehicle is loaned shall contain  
19 a provision on the face of the agreement, in at least 10 point bold type, that informs  
20 the individual that the coverage on the vehicle being serviced or repaired is primary  
21 coverage for the replacement vehicle and the coverage maintained by the owner on  
22 the replacement vehicle is secondary.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
24 effect October 1, 2004.